

Assessment Bulletin

Phone: 780-422-3377
Fax: 780-422-3110
Email: lgmail@mun.ca
www.municipalaffairs.gov.ab.ca
10th Floor Commerce Place
10155 - 102 Street
Edmonton, AB T5J 4L4

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ASSET News

"There is a high level of activity going on right now among everyone involved in the assessment reporting process," says Brad Pickering, Deputy Minister of Alberta Municipal Affairs. "I'm encouraged by this momentum."

As of March 15, about 100 municipalities in Alberta were up and running on the ASSET system and at various stages of the data loading/reloading process. This represents about 510,000 parcels, or about 29 percent of the approximately 1.75 million parcels in the province.

"But any major change takes time, and we are seeing indications that it may be in everyone's best interests to continue to be flexible with respect to timelines," Mr. Pickering says. "We will continue to monitor progress and adjust timelines if necessary."

The deputy minister says he appreciates the efforts of the many people working on the implementation of ASSET, including municipal administrators, tax clerks, and assessors. In addition, the providers of municipal tax roll and assessment systems are helping their clients adapt to system modifications related to the ASSET reporting process. The department's staff and contractors are completing and fine-tuning some features of the system.

"This is the implementation phase of an advanced technology that will yield many benefits to municipal and provincial users as time goes on," he says. "It's important to take the time to make this change successfully."

Revised *milenet* agreement mailed to municipalities

The revised *milenet* agreements were mailed to municipalities on March 9, 2004.

- If your municipality signed the previous *milenet* agreement, your access to *milenet* (including the ASSET system) will continue. When your municipality signs the revised *milenet* agreement, your access to *milenet* (and ASSET) will not be disrupted, but users will be prompted by *milenet* to confirm their acceptance of the revised online user agreement.
- If your municipality did not sign the previous *milenet* agreement and intends to sign the revised agreement, access will be provided once Alberta Municipal Affairs receives signed copies of the new agreement from your municipality. The department will provide *milenet* access to your municipality's *milenet* stakeholder administrator. The stakeholder administrator will, in turn, arrange for the municipality's designated ASSET users to access ASSET through *milenet*. Municipalities will not be able to access ASSET and all of its features (or the other applications on *milenet*) until the signed agreements have been returned to the department (*see sidebar note).

*Note:

If your municipality is already up and running on *milenet*, your access will not be disrupted.

Municipalities that are intending to sign the revised agreement to acquire *milenet* access are encouraged to submit their assessment data loads to the department's Assessment Services Branch (ASB) as soon as possible through the alternate reporting process, rather than waiting until the agreement is signed. This will help ensure that the department receives your assessment data as soon as possible for loading into ASSET, and that you have the opportunity to resolve any loading difficulties.

Alternate reporting process

The alternate reporting process is outlined in Assessment Bulletin 03-05.

When municipalities gain access to the ASSET system through *milenet*, they can produce reports, including a summary of assessments, an assessable property report, and a requisitioning body report. These reports should be used to help confirm that the data entered into the ASSET system accurately represents the data in the municipality's assessment system.

- If your municipality does not intend to acquire access to *milenet*, you will need to use the alternate reporting process.

Reminder — tax liability coding

In June 2003, the Assessment Services Branch distributed a list of requisitioning body codes to each municipality to be used for ASSET reporting purposes. For

each municipality, the codes identified the requisitioning bodies in that particular municipality (for example, the local school district or seniors' lodge foundation.)

Municipal administrators and tax clerks are reminded that, when you are assigning requisitioning body codes to properties for ASSET reporting purposes, these codes need to be applied in the precise format that they have been provided by the branch to your municipality. If you alter the codes or use additional codes, ASSET will not recognize them and will produce errors that will need to be corrected by the assessor.

If you have any questions, or if you need certain codes to be added to or deleted from the list provided to your municipality, please call ASSET team member Pat Chelen at 422-8406.

Recently asked questions



- 1. Question:** If a property is owned by multiple parties, including both individuals and corporations, what is the appropriate "assessable person code" in regard to the tax liability coding for that property?

Answer: Regardless of the percentage of ownership that individuals may have in a property, the assessable person code should be reported as "C" (corporation) whenever a property is owned in whole or in part by a corporation.

The assessed person code is used by Alberta Municipal Affairs to combine a municipality's assessments into categories for preparing the equalized assessment. In the event that a special tax is levied by a school board, the "C" code will enable the province to identify the properties that such a levy would apply to.

- 2. Question:** How should an assessor assign an actual use code to a multi-use property for ASSET reporting purposes? Does the predominant use of the property determine the code?

Answer: For multi-use properties, the expertise of the assessor will come into play in determining the property's actual use. The assessor determines the predominant actual use and, if applicable, a secondary actual use based on his or her observation of the property relative to its use and what the market would consider the typical use to be.

The purpose of the actual use codes is to enable the orderly collection of assessment data in a consistent format for viewing and analysis. The actual use codes allow assessors to identify comparable assessment and sales data.

Have a question?

The ASSET team at Alberta Municipal Affairs can help. The phone numbers and e-mail addresses of team members are posted on the Alberta Municipal Affairs' Web site (www.municipalaffairs.gov.ab.ca).

You may also wish to review the draft Reporting and Recording Information for Assessment Audit and Equalized Assessment Manual, which is also on the ministry's Web site.

A list of the actual use codes is included in the draft Reporting and Recording Information for Assessment Audit and Equalized Assessment Manual. Municipalities may choose to use more detailed actual use classifications for their own purposes, but for reporting in ASSET they need to cross-reference their codes with the standard codes on the ASSET system.

- 3. Question:** Why is machinery and equipment coded "T" (taxable) rather than "X" (subject to municipal taxes only)?

Answer: The tax code for machinery and equipment (ME) is "T" for taxable because ME assessments are subject to municipal tax levies and to the requisitions of management bodies. As such, ME assessments are included in the equalized assessment. The province applies a school tax rate of zero to exempt ME from the school requisition.



